

State Transportation Commission

Director Kirk T. Steudle, P.E.

April 27, 2006

Overview

- Transportation Agreement
- 2006-2010 Economic Benefits
 - Final Report
- Construction Quality Partnering



Transportation Agreement



Transportation Agreement

- Governor Granholm has a targeted road map and it's moving Michigan in the right direction
- The Governor's plan drives job creation and paves the way for growth all across Michigan
- Announced April 21, 2006 by Governor Granholm, Senate Majority Leader Sikkema



Transportation Agreement

- Specific project earmark money
 - Previously vetoed projects + others
- Passage of Transit bill
- Passage of Local Jobs Today
- Passage of MDOT supplemental budget
 - Restoring funding to AMTRAK, IT projects, Multi Modal.
- Legislation expected to clear the Legislature
- Travel Michigan Funding

Transportation Agreement

Local Jobs Today

- Local Jobs Today will grow Michigan's economy and maximizes available federal dollars to get shovels in the ground and dirt flying
- Grants \$80 million in state funds to local communities for local match on federal projects
- \$400 million in projects underway for 2006-2007 construction season
- 7,100 jobs



Transportation Agreement: Improve Public Transit

required local match to federal transit funds

- 2005 Kooiman bill vetoed by Governor because it gave tax authority to only Grand Rapids
- New bill, sponsored by Rep. Kooiman, includes provision to assist other transit agencies with mass transit efforts
- Governor will sign this bill now that other areas in the state can benefit from this provision

Transportation Agreement: Improve Public Transit

High priority transit projects:

- To help transit agencies expand and improve transportation facilities
- Eight projects statewide for Grand, Metro, Bay and Superior regions
- \$27,367,000 in federal earmarks
- State will provide 20 percent match
- Loan program for agencies



2006-2010
Economic Benefits
Final Report

2006-2010 Economic Benefits Final Report- Released March 2006

Annually, MDOT commissions a study to assess the economic benefits of the Five-Year Road & Bridge Program

- University of Michigan's Institute of Labor and Industrial Relations
- Economic Development Research Group



Study Findings:

Implementing the 2006-2010 Road and Bridge Program creates:

- Travel time savings for Michigan households: \$14.6 million in 2006 and accumulates to \$71.0 million by 2010**
- Travel time savings for Michigan businesses: \$10.3 million in 2006 and accumulates to \$51.0 million by 2010**
- Generates \$6.8 billion in Gross State Product**

Job Creation:

- University of Michigan estimates MDOT's Highway Program will create 30,824 jobs in 2006
- Of these jobs, approximately 60% are non-construction with a large portion consisting of technical jobs in the professional services and business sectors



Comparing Study Results from 2005 to 2006:

- Approximately 4,275 more jobs in 2006
- Approximately \$300 million more of Gross State Product and approximately \$200 million more of real personal income in 2006

The Jobs Today and Preserve First Initiatives are having a positive impact on Michigan's economy



Michigan's Construction Quality Partnership (CQP)



Construction Quality Partnership

The “status quo” is not acceptable.

If better is possible,
good is not enough.

CQP History

- Grew out of Warranty discussions
- Strategic Forum on Quality and Warranties
- Builds on existing. . . .
 - Materials Testing Certification Programs
 - Supplier Certification Programs
 - Bridge Painting Certification Program



Construction Quality Partnership

- Contractor Quality

- Goal is Total Quality Improvement

- Personnel certification

- Contractor
- MDOT
- Consultant

- Corporate certification

- Contractor
- Consultant

- Improved agency processes



Construction Quality Partnership

- Benefits:
 - Enhance product quality
 - Enhance value through training and skills development
 - Address need for current and future skilled personnel
 - Reduce risk for everyone
 - Increase public trust

Paradigm Shift

Move focus

From:

**Specification enforcement
and end-product
inspection**

To:

**Continual quality
process control
at all stages**

Design

Bidding

Construction

Construction Quality Partnership

The *“Right People”*

Building

The *“Right Fix”*

Where We Are Today. . .

Executive Steering Committee
Meeting monthly . . . Since late 2004

Co-Chairs

Larry Tibbits, MDOT

John Friend, MDOT

Glenn Bukoski, MITA

Dan DeGraaf, MCPA

Where We Are Today. . .

Training Subcommittees

Concrete Paving

HMA Paving

Capital Preventive
Maintenance



Coordinating w/Design Task Force

Fix Selection Guidelines

Scoping Checklist

Constructability Checklist

Post-Construction Feedback

